

# MANUFACTURING EXTENSION PARTNERSHIP

## Success Stories from the Field

### Hendco Machine & Engineering

#### South Carolina Manufacturing Extension Partnership

#### Hendco Machine And Engineering Achieves Iso 9000 Certification

##### Client Profile:

Hendco Machine & Engineering was founded in Liberty, South Carolina by Al Hendricks, who has more than 30 years of experience in machining, most of it in the aerospace industry. Today Hendco is an aerospace and general machine shop employing three full-time employees who provide top-quality machined components, tooling, assemblies, and specialized parts to a variety of industries. Hendco is equipped to work with exotic metals, including titanium, beryllium, Kovar, and high-strength steels, in addition to brass, nickel, stainless steel, plastics, and composites. Hendco's services include CNC milling and turning, production and short-run tool fabrication and design, research and development, and others. The company's major customers include Southern Fineblanking (MPI), Michelin, and Lockheed.

##### Situation:

When Hendricks returned to South Carolina to found Hendco, he found many services available to minority-owned companies through the Small Business Administration, the Carolina Minority Service Council, and the South Carolina Manufacturing Extension Partnership (SCMEP), a NIST MEP network affiliate. Hendricks contacted SCMEP to help the company achieve its growth goals and tackle existing constraints.

##### Solution:

SCMEP quickly identified Hendco's constraint as sales. Following its initial sales boost in 1997, the company's sales figures began to trend downward. Intense competition in a saturated market prevented consistent production cycles, and the company found itself accepting undesirable jobs to stay afloat. Hendricks told SCMEP his goals included increasing the company's sales revenue to \$1 million over the next five years and building his staff from the current three employees to 12 to 14 full-time employees. To do so, Hendco needed to establish a marketing plan to attract consistent, quality business. The company discovered that new or potential customers frequently requested ISO 9000 certification as a prerequisite to doing business with a supplier. SCMEP agreed that Hendco needed ISO certification to grow the business the way Hendricks wanted. With SCMEP's help, Hendco applied for and was awarded a grant to pay for the typically prohibitive expenses associated with achieving ISO 9000 certification. With this certification, Hendco is able to attract customers from new industries and sectors.

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In addition to advising Hendricks to pursue ISO 9000 certification, SCMEP recommended that Hendricks devise a strategic marketing plan. An organized marketing plan would help the company approach its target market consistently and effectively. SCMEP helped Hendco find a marketing professional to develop a new brochure featuring photos and testimonials. To generate interest in the company among potential customers, Hendco now uses a cover letter that touts company strengths such as the experience of the owner and ISO 9000 certification.

At SCMEP's recommendation, Hendco is also developing internal systems that will help manage new business. To reach its long-term goals, Hendco will implement process-to-plan and control activities ranging from quoting to shipping. A formal quoting system allows quick documentation of quotes and can also be used to track variances once the quote is accepted for delivery. Also in the plans is a visual scheduling system that operators can use to determine which jobs are scheduled for each process involved. As the company grows, manufacturing software will be used to help facilitate much of the manual work, including quoting, purchasing, and inventory control.

### **Results:**

Achieved ISO 9000:2000 certification.

Developed new marketing collateral.

Developed long-term business and marketing strategies.

Implementing systems to track operations.

### **Testimonial:**

"The South Carolina Manufacturing Extension Partnership has put us in a much better position than we were before. We're building successes now."

Al Hendricks, Owner